

**Managed Risk Medical Insurance Board
September 14, 2011, Public Session**

Board Members Present: Cliff Allenby, Chairman
Richard Figueroa
Ellen Wu, MPH

Ex Officio Members Present: Katie Marcellus, Designee for the Secretary of the
Health and Human Services Agency
Shelley Rouillard, Designee for the Secretary of the
Business, Transportation & Housing Agency
Jack Campana, Chairman of the Healthy Families
Advisory Panel

Staff Present: Janette Casillas, Executive Director
Terresa Krum, Chief Deputy Director
Sarah Soto-Taylor, Acting Deputy Director, Benefits &
Quality Monitoring
Ernesto Sanchez, Deputy Director, Eligibility,
Enrollment & Marketing
Laura Rosenthal, Chief Counsel, Legal
Loressa Hon, Acting Deputy Director, Administration
Tony Lee, Manager, Administration
Heather Wallace, Senior Staff Counsel, Legal
Seth Brunner, Senior Staff Counsel, Legal
Koy Lee, Staff Services Analyst, Legal
John Symkowick, Legislative Coordinator,
Legislative & External Affairs
Sarah Smith, Information Officer, Legislative &
External Affairs
Lilia Coleman, Manager, Benefits & Quality Monitoring
Muhammad Nawaz, Manager, Benefits & Quality
Monitoring
Aiming Zhai, Research Analyst II, Benefits & Quality
Monitoring
Maria Angel, Executive Assistant to the Board and the
Executive Director
Theresa Gomez, Board Assistant

Other Appearances: Elizabeth Abbott, Director of Administrative Advocacy,
Health Access
Helen Roth Dowden, Project Manager,
Teachers for Healthy Kids
Carolyn Ginno, Associate Director,
California Medical Association
Kelly Hardy, Director, Health Policy,
Children Now
Kathy Samanns, Executive Director,
HealthNow Administrative Services

Chairman Cliff Allenby called the meeting to order at 10:13 a.m. The Board adjourned to Executive Session and resumed the public items at 11:30 a.m.

Chairman Allenby noted that at the last meeting of the Board, Shelley Rouillard sat in the audience (as MRMIB's Deputy Director for Benefits and Quality Monitoring); beginning with this meeting, Ms. Rouillard is the designee of the Business, Transportation and Housing Agency as an ex officio member of the Board. Chairman Allenby welcomed Ms. Rouillard to the Board and presented her with a plaque in recognition of her past service to MRMIB. Ms. Rouillard thanked Chairman Allenby and said she looked forward to continuing to work with MRMIB.

REVIEW AND APPROVAL OF MINUTES OF AUGUST 17, 2011 PUBLIC SESSION

The minutes of the August 17 public meeting were approved as submitted.

The August 17, 2011 Public Session Minutes are located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_3_Public_Minutes_8-17-11_FINAL.pdf

FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY (Including Healthcare Reform & Budget)

John Symkowick, Legislative Coordinator, presented Agenda Item 4, Federal Budget, Legislation and Executive Branch Activity (Including Healthcare Reform & Budget), which contained six items of interest for Board reading.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were questions or comments from the audience. There were none.

The documents on the Federal Budget, Legislation, et al., are located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_4_Federal_Budget_LegExecActivity_9-14-11.pdf

EXTERNAL AFFAIRS UPDATE

Sarah Smith, Information Officer, presented Agenda Item 5, the External Affairs Update. The last month has been a moderate media period, with coverage focusing on legislative action affecting MRMIB's budget, the basic health plan and premium rate reductions for the Pre-Existing Condition Insurance Plan. MRMIB was contacted by California Healthline; KIQI, a Spanish language radio station in the Bay Area; the Sacramento Bee; La Opinion; Insure.com, an industry-based website; and CBS Channel 5 in San Francisco. Reporters requested information on legislation related to MRMIB's budget, the PCIP premium reductions and the Health-e-App online portal for the Healthy Families Program. In addition, requests were received for interviews with MRMIB staff and contact information for PCIP subscribers who had previously given MRMIB permission to provide their contact information to news media representatives as part of PCIP outreach.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The document on the External Affairs Update can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_5_External_Affairs_Update_9.14.11.pdf

STATE BUDGET UPDATE

Janette Casillas, Executive Director, reported on Agenda Item 6, State Budget Update. She reminded the Board of the report last month on an August 12 letter from the Department of Finance noting MRMIB's potential budget shortfall of \$130 million. Subsequently, the MCO (Managed Care Organization) tax extension was adopted by the Legislature and sent to the Governor's desk for signature. If signed into law, a \$28 million General Fund shortfall in MRMIB's 2011-12 budget would remain. Staff continues to work with the Department of Finance and the Administration on ways to close this gap. Ms. Casillas will continue to update the Board on a monthly basis on this issue.

Chairman Allenby asked if there were any questions or comments from the Board.

Board Member Richard Figueroa thanked the staff and the many people in the audience who worked on passage of the MCO tax. It was a very difficult political environment in which to get this accomplished and it was a major effort by the advocates, the health plans and staffs of both because big majorities voted for this bill. He acknowledged John Ramey of the Local Health Plans of California for his work on this bill.

STATE LEGISLATION

John Symkowick, Legislative Coordinator, reported on Agenda Item 7, the State Legislation Report.

The first year of the 2011-2012 Legislative Session was adjourned September 9 and the Governor has until October 9 to sign bills. Since the Legislative Report was finalized, SB 51 was approved by Legislature and been sent to Governor. This bill would require health care service plans and health insurers to comply with the Affordable Care Act's requirements concerning benefit limits and medical loss ratios, but exempts MRMIB's programs from these requirements. Additionally, as a result of amendments, AB 922 not only would transfer the Office of the Patient Advocate from the Department of Managed Health Care to the Health and Human Services Agency but also would transfer the Department of Managed Health Care from the Business, Transportation & Housing Agency to the Health and Human Services Agency. AB 1296, the Healthcare Eligibility Enrollment and Retention Planning Act, would require the California Health and Human Services Agency to undertake a planning process to implement the Affordable Care Act's requirements for streamlining enrollment in the Exchange, Medi-Cal, Healthy Families and, if established, a basic health program.

The statutory authority for the MCO tax is in ABx1 21 and the budget allocation is in ABx1 30, both passed in the Legislature's extraordinary session.

SB 36, which was sponsored by San Mateo County, would, upon federal approval, allow C-CHIP (County Children's Health Initiative Program) counties to draw down federal CHIP funds for covering children from above 300 percent up to 400 percent of the federal poverty level.

Several other bills failed to meet deadlines and are now two-year bills which we will continue to monitor next year. Of particular note is SB 703, which would require MRMIB to establish and administer a basic health program pursuant to the Affordable Care Act.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The State Legislative Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_7_Leg_Report_9_14_11.pdf

PRE-EXISTING CONDITION INSURANCE PLAN (PCIP) UPDATE

Enrollment Report

Ernesto Sanchez, Deputy Director for Eligibility, Enrollment and Marketing, reported on Agenda Item 8.a, the Enrollment Report for the Pre-Existing Condition Insurance Plan. A total of 604 new subscribers were enrolled in August, as an outreach campaign began and new premium reductions took effect. From January through July of this year, enrollment averaged slightly over 400 individuals a month. The high August enrollment is a culmination of various efforts, but most likely results from the affordability of the program. There have been no major shifts in demographics of program subscribers, gender and age categories, or the number of applications assisted.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The PCIP Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_8.a_PC_IP_Enrollment_Report_for_August_2011.pdf

Administrative Vendor Performance Report

Deputy Director Sanchez reported on Agenda Item 8.b, the Administrative Vendor Performance Report. The administrative vendor met all performance standards for processing and screening applications and the toll-free line customer service

performance standards. Additionally, the administrative vendor met all quality assurance and accuracy standards in those same general areas. There have been no benefit appeals to date for the administrative vendor.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The PCIP Administrative Vendor Performance Report can be found at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_8.b_PC_IP_Adv_Vendor_Board_Report_August_2011.pdf

Third Party Administrator Performance Report

Sarah Soto-Taylor, Acting Deputy Director for Benefits and Quality Monitoring, reported on Agenda Item 8.c, the Third Party Administrator Performance Report. The medical and pharmacy claims processing levels were met for the month. No subscriber health care service appeals or complaints were received during the previous month. The vendor failed to meet the customer service performance standard for calls-answered-within-30 seconds, but did meet the other areas as noted in the report. Additionally, the vendor failed to meet the performance standards for provider technical support calls answered within 30 seconds, but did meet the other levels as noted in the report. The administrative vendor did meet all of the subscriber material product and distribution standards. There were no requests for the independent external review or administrative hearings for the month of August.

Ms. Soto-Taylor introduced Kathy Samanns, Executive Director of Strategic Business Development for HealthNow Administrative Services, which is PCIP's Third Party Administrator. Ms. Samanns addressed the Board on the TPA performance issues. The metrics proposed in the development stages of PCIP were based on what was known at the time and on TPA performance for a group health plan. HealthNow is now better informed on performance expectation for a population in which every subscriber who enrolls is going to use the plan. There was no model available as a frame of reference when the original metrics were determined because nobody has ever administered a plan quite like this.

Ms. Samanns said HealthNow is pleased to be able to meet or exceed all the other performance metrics, and absolutely wants to meet or exceed this metric (calls answered within 30 seconds) as well. In 2011, HealthNow was able to meet those metrics, except for the response time for answering calls, in five of the reporting months. In four months, the vendor fell slightly below. In August, there was a significant decrease in performance, most significantly affected by medical leaves for three staff and a new call center manager. It was during this time that the performance decline began and it was discovered too late in the month of August to bring the performance up to meet the standard by month's end.

HealthNow staff has focused on these issues for several weeks and identified measures to meet the standards. A total of nine call center representatives are being hired: five in Sacramento and four in the vendor's Pennsylvania office. A

new telephone system is being installed effective October 1 and this will allow HealthNow to leverage both offices to support the call center and provide more continuity in the later part of the day.

Ms. Samanns expressed confidence that these additional measures, coupled with a better understanding of the metrics, will help address the performance issues as enrollment and call volume increase. The average talk time is consistently about three times longer than in an employer plan because PCIP subscribers are a very sick population; each call is more involved and the callers require more assistance. Statistically, in a group health plan, about 20 percent of the population uses the plan and many subscribers call in just to verify a deductible, or to get preventive care. The care delivered in employer plans is not at the same catastrophic level as the claims PCIP is experiencing.

Board Member Figueroa said it sounded as if HealthNow is planning to cross-train the new staff so that if the Sacramento call center is busy, the calls can be passed through to Pennsylvania and handled there. Ms. Samanns said that was correct. The technology will enhance monitoring capability, so monitoring will not be limited just to the supervisor or the manager who is in the call center. Other key individuals will also be able to view the statistics and see how the day is going, in order to ensure standards are continuously met.

Board Member Figueroa said the Board appreciated the efforts of HealthNow and noted the heightened sensitivity of PCIP because the Board operates it on behalf of the federal government.

Chairman Allenby thanked Ms. Samanns for her comments and said HealthNow and the Board will work together to resolve these issues. He asked if there were any comments from the audience.

Beth Abbott of Health Access noted that in her former capacity operating the Sacramento Social Security Call Center for the federal government, four sites served the Central Valley and Sacramento area. Initially, this call center operation did not meet criteria for answering calls promptly. Equipment was installed that made additional call center personnel available, coincidentally also in Pennsylvania, to deal with all calls that came in. The issue was that in Pennsylvania, almost no one spoke Spanish, and in California, health business is transacted in languages other than English.

Authorization of Third Party Administrator Contract Amendment

Chairman Allenby noted that Agenda Item 8.d was going to be held over to a future Board meeting.

Other Implementation Issues

Ms. Casillas reported on Agenda Item 8.e, Other Implementation Issues. MRMIB staff continues to work with the state Office of AIDS on a partnership to bring eligible Ryan White Fund beneficiaries into PCIP. An interagency agreement is in process and Ms. Casillas expressed hope that it would be finalized soon to bring in these new PCIP subscribers.

Ms. Rouillard noted that when the Office of AIDS beneficiaries enter PCIP, the TPA should expect long phone conversations with this population as well, and should consider this in the plans they are undertaking at this time.

Ms. Casillas said MRMIB is consumer focused on both subscribers and providers, and that subscribers have pent-up demand since they have been uninsured for six months. These subscribers all have conditions, which is why they are in the plan. Staff should monitor not only enrollment; as enrollment increases, these new subscribers will need services and long phone calls. She thanked Ms. Abbott for her comment on the language issue.

The PCIP Third Party Administrator Performance Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_8.cThird_Party_Administrator_091411_Meeting_Report.pdf

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Deputy Director Sanchez reported on Agenda Item 9.a, the MRMIP Enrollment Report. Enrollment in MRMIP program is up to 6,560. Applications for MRMIP are not as strong as in the past because applicants are first screened for the Pre-Existing Condition Insurance Plan and go into that program, if eligible. There is still room in MRMIP under the enrollment cap of 8,000.

The MRMIP Enrollment Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_9.a.M_RMIP_Board_Report_Summary_for_June_2011.pdf

Update on Enrollment Cap and Waiting List

Deputy Director Sanchez reported on Agenda Item 9.b, the Update on Enrollment Cap and Waiting List. There is currently no wait list for MRMIP and subscriber demographics have not changed. The only difference is that 18 counties account for almost 91 percent of enrollment. As compared to PCIP, MRMIP's subscriber base is a little older, with 46 percent in the 50-64 age group rather than the 30 to 49 age group, as in PCIP.

The MRMIP Enrollment Cap and Waiting List Update document is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_9.b_MR_MIP_Weekly_12_monthWaitlist_with_bubbles_9-10-11_data.pdf

Administrative Vendor Performance Report

Deputy Director Sanchez reported on Agenda Item 9.c, the Administrative Vendor Performance Report. The administrative vendor met all requirements for processing applications and the toll-free line.

Chairman Allenby asked if there were any questions or comments from the Board.

Hearing none, he asked if there were any questions or comments from the audience. There were none.

The MRMIP Administrative Vendor Performance Report can be found at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_9.c. MRMIP_Adm_Vendor_Perf_for_June_2011.pdf

Financial Report

Ms. Casillas said Agenda Item 9.d, the MRMIP Financial Report, as well as the AIM Financial Report, would be deferred to the October meeting because the Department of General Services is behind schedule in reconciliations and closures of MRMIB's financial systems as a result of staff reductions and vacancies at DGS.

HEALTHCARE REFORM UNDER THE AFFORDABLE CARE ACT

Ms. Casillas reported on Agenda Item 10, Healthcare Reform. Under the Affordable Care Act, MRMIB has been working in coordination with the California Health Benefits Exchange on review of federal regulations. The first set of regulations was on standards related to reinsurance, risk corridors and risk adjustments. A second set of regulations came out on the establishment of exchanges and qualified health plans. MRMIB staff has been consulting with the Exchange staff, specifically Lesley Cummings, on these reviews. Chief Counsel Laura Rosenthal has been working with Ms. Cummings on this project.

Ms. Rosenthal noted that the Board is privy to a wealth of information on this topic.. She indicated that, MRMIB staff has been providing technical assistance to Exchange staff and consultants, and lending insights on these issues. She also indicated that MRMIB staff has looked at this first set of regulations -- the risk adjustment, reinsurance risk corridors, establishment of exchanges and qualified health plans -- to see whether there were any areas about which MRMIB might wish to comment, and have concluded that there are not.

Clearly, these regulations have a great impact on the healthcare landscape. The area of greatest interest for MRMIB is the provision under which the exchanges will enroll qualified individuals into both CHIP and Medicaid. It is important for the Board and staff to understand how that will work since this affects and interacts with the Board's current responsibilities. Staff did not think that, at this point, there was a level of detail in the proposed regulations that warranted MRMIB's doing formal comments. However, that is probably the area -- separate from the Board's overall interest in the insurance landscape and access to healthcare for uninsured individuals -- that most directly affects the Board's functions.

Ms. Casillas noted her ongoing discussions with Pat Powers, the Administrative Officer at the Exchange, who appeared to agree that it would behoove California to have one consolidated response to the federal government on these regulations. Ms. Casillas suggested to Ms. Powers that the MRMIB Board sign on to the response to the federal government on these regulations so that California has one united response. The Exchange, the Administration and DHCS already have consensus.

Chairman Allenby and Board Members Figueroa and Ellen Wu agreed this approach would be a helpful.

A second set of regulations needing review are those on eligibility. Deputy Director Sanchez will take the lead on that review. The three sets of regulations that came out together were 1) on exchange functions in the individual market, specifically, eligibility determinations and exchange standards for the employer market; 2) Medicaid program eligibility changes under the ACA, where the new eligibility standard (MAGI) should be included; and 3) the Health Insurance Premium Tax Credit. The Exchange will send a separate letter on the second set of regulations because there are different due dates for the public comments. MRMIB will collaborate, as well, on those regulations to the extent that there is nothing to which the Board and staff are in opposition.

If there is a concern about a possible difference of opinion, staff will look for a way to move forward on a united voice for California, seeking more clarity on that issue.

Ms. Casillas said it was her belief that Ms. Powers was in agreement with this collaborative approach and the combined response to the federal government would indicate that all the agencies signing off are on the same page.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

Ms. Casillas noted that the Board's agenda packet for Agenda Item 10 also includes a Request for Information recently issued by the U.S. Centers for Medicare and Medicaid Services asking for comments on the basic health program. They are looking for input from states and other entities on the basic health program. Ms. Casillas said the RFI is another area in which MRMIB should collaborate with the Administration, Agency, DHCS and the Exchange in issuing a response. She noted that Ms. Powers of the Exchange agreed to this approach and added that states are looking at what implementation of the basic health plan means for states' exchange populations.

The documents pertaining to the Healthcare Reform Under the Affordable Care Act can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_10_State_Health_Reform_Assistance_Network_Articles.pdf

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment and Single Point of Entry Report

Deputy Director Sanchez reported on Agenda Item 11.a, the Enrollment and Single Point of Entry report. Enrollment as of the end of August was almost 871,000 children, with nearly 25,000 new children enrolled into the program. There were no major changes in demographics, with the top five counties accounting for 59

percent of our enrollment. The top two languages spoken by applicants are English and Spanish.

In the last month, Health-e-App accounted for almost 35 percent of the applications coming in the door. At the beginning of September, Health-e-App reached the 75,000 mark for applications submitted online since public access began.

Related to Healthy Families enrollment, the Centers for Medicare and Medicaid Services have issued second cycle CHIPRA Outreach Grants. California received five grants for nearly \$5 million to the Fresno Healthy Community Access's Partners, the Alameda Health Consortium, the Los Angeles School District, the Mendocino County Office of Education, and the California Primary Care Association. California's award represented approximately 13 percent of the total \$40 million awarded nationally.

Chairman Allenby asked if there were any questions or comments from the audience.

Helen Roth Dowden of Teachers for Healthy Kids said her organization was part of the grant received through Healthy Kids Mendocino and the Sacramento City Unified. Teachers for Healthy Kids is partnering with the California School Boards Association and MRMIB to try to institute payroll deductions using schools as employers, to assist part-time workers who are not covered by health insurance because they work fewer than 20 hours. This new program will test whether payroll deductions can be done in such a manner that the three months' free premiums can be taken in the summer when school is out. Teachers for Healthy Kids is looking forward to working with MRMIB on this project.

Chairman Allenby thanked Ms. Dowden and recalled her talking about this project six months earlier.

Kelly Hardy with Children Now and the 100% Campaign noted that the number of Healthy Families children is actually down slightly from the month before, despite MRMIB's best efforts and all of the hard work around Health-e-App. Children Now and the 100% Campaign stand ready to continue to work with everyone to make sure those numbers go in the right direction.

Chairman Allenby asked if there were any additional comments. There were none.

The HFP Enrollment and Single Point of Entry Report is located at:
[http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_11.a. HFP_August_2011_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_11.a_HFP_August_2011_Summary.pdf)

Administrative Vendor Performance Report

Deputy Director Sanchez reported on Agenda Item 11.b, the Administrative Vendor Performance Report. The administrative vendor met all performance standards for processing applications through the toll-free line, at both the Single Point of Entry and the Healthy Families Program, and additionally met all performance standards

regarding the accuracy of determinations at Single Point of Entry and the Healthy Families Program.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The HFP Administrative Vendor Performance Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_11.b._HFP_Adms_Vendor_QA_2011_08.pdf

Authorization to Contract with an External Quality Review Organization (EQRO)

Terresa Krum, Chief Deputy Director, reported on Agenda Item 11.c, the Authorization to Contract with an External Quality Review Organization (EQRO). Staff is requesting authorization to contract with an EQRO consistent with the CHIP Reauthorization Act.

Chairman Allenby asked if there were any questions or comments. There were none.

The motion is to adopt the resolution included in Agenda Item 11.c was moved, seconded and unanimously adopted.

The HFP Resolution to Contract with an EQRO can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_11.c_EQRO_Resolution.pdf

2010 Traditional & Safety Net Providers as Primary Care Providers Report

Aiming Zhai, Research Analyst II of the Benefits and Quality Monitoring Division, reported on Agenda Item 11.d, the 2010 Traditional & Safety Net (T&SN) Providers as Primary Care Providers Report for the calendar years of 2009 and 2010.

In both 2009 and 2010, approximately half of the Healthy Families Program members enrolled in 20 plans received primary care from T&SN providers. Also, in both 2009 and 2010, more subscribers selected T&SN providers than were assigned a T&SN provider. Local plans use T&SN providers at a higher rate than plans that serve large geographic areas. In a demographic comparison, subscribers who are non-white and speak languages other than English use T&SN providers at a higher rate than subscribers who are white and speak English as their primary language.

Chairman Allenby asked if there were any questions or comments from the Board.

Board Member Figueroa said that the information in the report was very interesting and that it would take some time to figure out why there are changes over time. He indicated that it appears a significant percent of HFP enrollees continue to use traditional safety net providers -- at least 50 percent or more.

Ms. Casillas said after reading the report, she wondered whether more families are being assigned or encouraged to go to a traditional safety net provider because the safety net contains a subset of providers that are the Federally Qualified Health Centers and Rural Health Clinics. This is the group of providers that MRMIB is now paying or going to be paying the Prospective Payment System reimbursement rates, based on the services they provide and what it costs them. MRMIB will be supplementing whatever they are being reimbursed by the health plans. So it will be interesting to see whether more subscribers are being assigned to those clinics or are voluntarily selecting them.

Mr. Figueroa pointed out that while overall numbers did not change much from year to year, there are some wide variations in the Valley and Los Angeles that offset each other, so the overall numbers remain the same.

Chairman Allenby asked if there were any questions or comments from the audience.

Carolyn Ginno, Associate Director with the California Medical Association, stated that the CHIP Reauthorization Act of 2009 required that in those counties where a Healthy Families enrollee couldn't gain access to a provider, they were allowed to opt out and see a Medi-Cal-only provider. She said the CMA has been dealing with this issue in the budget process for this year, and the language to do that was contained in a budget trailer bill this year. She stated that it would be interesting to see to how this affects the primary care providers subscribers are seeing.

The 2010 Traditional & Safety Net Providers as Primary Care Providers Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_11.d_HFP.pdf

CHIP Reauthorization Implementation

Executive Director Casillas said there was nothing to report on Agenda Item 11.e, CHIP Reauthorization Implementation.

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Deputy Director Sanchez reported on Agenda Item 12.a, the AIM Enrollment Report. A total of 850 new mothers were enrolled during the previous month, bringing the total AIM enrollees to slightly over 7,000. There has been no major change in the demographics. The top 18 counties account for 85 percent of the program enrollment and the report provides distribution of enrollment by plan.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_12.a_AIM_Aug_2011_Summary.pdf

Administrative Vendor Performance Report

Deputy Director Sanchez reported on Agenda Item 12.b, the Administrative Vendor Performance Report. The administrative vendor met all performance and accuracy standards for processing applications and the toll-free line.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Administrative Vendor Performance Report can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_12.b_AIM_Adm_Vendor_Perf_Aug_2011_Summary.pdf

Authorization for Health Plan and State Supported Services Contract Amendments and Extensions

A motion was made, seconded and unanimously adopted to adopt the resolution included in Agenda Item 11.c. The resolution authorized amendment and extension of the AIM Health Plan and State Supported Services contracts through March 31, 2012. Chairman Allenby stated that the purpose of the resolution was to provide services until MRMIB can rent the Medi-Cal Delivery System

The AIM Resolution for Health Plan and State Supported Services Contract Amendments and Extensions is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_091411/Agenda_Item_12.c_AIM_Resolution.pdf

Financial Report

Agenda Item 12.d, the AIM Financial Report, was deferred to the October meeting because of a delay in receiving financial systems reconciliations and closures from the Department of General Services. DGS is behind because of staff reductions and vacancies.

Chairman Allenby asked Ms. Casillas whether there was anything else to bring before the Board. Ms. Casillas said there was no further business.

The meeting was adjourned at 12:23 p.m.